



General Assembly

Distr.: General
10 February 2000

Original: English

Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives

Second session

3-14 April 2000

Item 2 of the provisional agenda*

**Preparations for the special session of the General Assembly
on the implementation of the outcome of the World Summit
for Social Development and further initiatives**

Review reports and proposals for further action and initiatives submitted by organs and specialized agencies of the United Nations system and other concerned organizations

Note by the Secretary-General

Addendum

Contribution from the United Nations Research Institute for Social Development**

1. The Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives, in paragraph 13 of the annex to decision 1,¹ invited the United Nations Research Institute for Social Development to report on its findings on institutional arrangements for social integration, as well as the role of civil society in the planning and provision of social services. The Preparatory Committee requested that the report also be made available to the Commission for Social Development at its thirty-eighth session.

* A/AC.253/12.

** The report is being issued herewith as received in the language of submission only.



2. The Secretary-General accordingly circulates herewith, for the information of the Preparatory Committee and the Commission, the report of the United Nations Research Institute for Social Development.

Notes

¹ *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 45 (A/54/45 and corrigendum)*, chap. VI, sect. B.

CIVIL SOCIETY ORGANIZATIONS AND SOCIAL INTEGRATION

Summary and Proposals for Further Action

1. The following report discusses the activities of those civil society organizations (CSOs) which seek to advance social and economic development. In assessing these activities and in considering recommendations with regard to them, it is important to recognize the immense variation that exists between different types of CSOs, as well as the crucial differences in the social and structural environments in which they work. In this report, the advocacy (including consultation and monitoring) functions of CSOs are considered separately from the operational (including project implementation and service delivery) functions of CSOs; organizations which primarily carry out the latter function are termed non-governmental development organizations (NGDOs).
2. The report's key findings and recommendations are the following:
 - a) The international community has been enriched by the contribution of civil society organizations. Northern CSOs typically have greater influence than southern CSOs in the international arena because of their greater access to resources and to communications technology and the international media. Further efforts should be made to facilitate the contribution of southern CSOs to international forums. Such efforts may include the organization of pre-conference forums for regional and/or sectoral-based discussion, the provision of travel funding, and assistance with translation and communication technology.
 - b) The contributions of CSOs have helped international organizations to become more effective agents for social and economic development. The access of CSOs to international organizations should be facilitated through the formalization of observer status and/or the creation of liaison offices, and communication channels between international organizations and CSOs should be formalized and open. Institutionalized opportunities for the exchange of views between CSOs, international financial institutions and international bodies concerned with social and economic development should be established. This is especially important for bodies such as the World Trade Organization (WTO), which have heretofore been closed and dominated by technocratic decision-making.
 - c) CSOs often function more effectively within the framework provided by a strong state, even if they seek reform of that state. Efforts to encourage public sector reform should not undermine state capacity. Neither should they displace more open and democratic forms of policy making (in which CSOs can participate) by

technocratic decision-making, as is currently occurring in some countries and policy areas. CSO activities, including service delivery and project implementation, should not be regarded as a substitute for the state's functions, except in extreme circumstances and as interim measures.

- d) As the influence of advocacy CSOs increases, consideration should be given to the question of their accountability. Except for those with a clearly defined membership base, such as labour organizations, advocacy CSOs are often not formally accountable to the groups on whose behalf they advocate. Because CSOs depend on their ability to mobilize popular opinion in support of their causes, the accountability and representativeness of advocacy CSOs can be enhanced through open public discussion and debate. Therefore efforts should be made to facilitate the ability of a wide range of CSOs to effectively access communication channels, including international media and the internet.
- e) Although numerous service delivery CSOs (NGDOs) effectively identify, target and assist the poor and other vulnerable groups, the NGDOs sector as a whole cannot be assumed to do so, especially in light of the sector's precipitous growth in recent years. While the donor community has channelled considerable resources to NGDOs, there is very little data to indicate whether or not they are performing effectively. There is a need to monitor NGDO impacts more systematically and develop methodologies for doing so. NGDOs often have self-appointed boards that contain few, if any, representatives of beneficiary communities but are often made up of urban-based elites. "Downwards accountability" to the beneficiaries of services needs to be strengthened considerably.
- f) In many countries NGDOs also operate with little accountability to government. As the role of NGDOs in service provision has increased, the lack of accountability to the State has become a growing problem. Accountability towards government needs to be improved, with NGDOs working within national policy frameworks and priorities. In contexts of democratisation, where state accountability to citizens is improving, NGDO accountability to the State in service delivery can be an important link between NGDO as providers of services and citizens as consumers of services.
- g) An inherent comparative advantage for the NGDO sector over the public sector has not been clearly established for any type of service delivery. In situations in which public sector restructuring is imperative, shifting some service delivery functions to the NGDO sector may facilitate such restructuring. The result will be a more flexible service delivery labour force with less job security than the traditional civil service. If such a strategy is to be considered for the medium to long term, the initial gains in efficiency must be set against possible longer term reductions in effectiveness and efficiency due to a decline in the commitment and organizational strength of the labour force and a decrease in its experience and training. More generally, the government's progressive withdrawal from service delivery may also weaken its capacity to properly monitor, evaluate and formulate effective strategies for service delivery.

- h) If NGDO operational activities are considered to be an integral part of a country's development strategy, these activities should be carefully planned, co-ordinated and monitored within democratic structures. The NGDO sector is prone to many problems which may make it unsuitable for taking a leading role in development strategy. These include lack of long-term planning, overconcentration and duplication of services in some areas and lack of services in others, inconsistent quality, and lack of capacity for extending services.
- i) However, NGDO operational activities often play an important supplementary role to a country's development strategy. A relative degree of independence will allow the flexibility and experimentation that some NGDOs have successfully used to develop more effective, efficient and participatory models of project and service delivery.
- j) Much of the activity of the NGDO sector is heavily donor-driven. Although donors have legitimate reasons for setting parameters for funding, in some cases certain activities are heavily over-funded and others neglected. Funding for CSOs should take into account the attributes of the organization as well as the type of project to be funded. Organizations should be given priority for funding, regardless of their specific project activities, if they develop an authentic response to community needs, if they are legitimate representatives of the poor or vulnerable, and if they give voice to those who would otherwise be silent.
- k) As CSOs scale up their involvement in delivering services there is a danger that their role in setting development priorities and policies and advocating on behalf of marginalized groups may be declining. To guard against such trends, it is important for CSOs not only to adopt a "needs-based" approach but also one that is "rights-based", which seeks to strengthen the capacity of marginalized groups to demand that the State ensures that adequate levels of services are provided. This requires CSOs to work with people in identifying their economic and social rights and advocating on their behalf.
- l) A note of caution is sounded about assuming that any structures are inherently egalitarian or participatory. Some grassroots organizations may promote social development, but others may reproduce and bolster inequitable social relations. Governments may be repressive, or they may be indispensable for restructuring local social structures to reduce repression. International organizations and development agencies can improve people's lives, and they can immiserate people. Civil society is a necessary part of the checks and balances that make a democratic society function. CSOs have an essential role to play in the democratic process, for which they should be supported and encouraged. However, they must be more effectively monitored, questioned and evaluated by governments, donors, international agencies, other civil society organizations and public opinion.

Introduction

3. As part of the preparations for the Special Session of the General Assembly to consider the implementation of the Outcome of the World Summit for Social Development, UNRISD was invited to "report on its findings on institutional arrangements for social integration, as well as the role of civil society in the planning and provision of social services" (A/AC.253/L.7/Rev.1). The following report analyses the changing and potential impact of different types of civil society organizations on the formulation, implementation and monitoring of policies influencing various aspects of social integration and development at the international, national and local levels.
4. The Programme of Action of the World Summit for Social Development defines the aim of social integration as being "to create 'a society for all', in which every individual, each with rights and responsibilities, has an active role to play" (para. 66). Toward this end, it calls for "strengthened participation and involvement of civil society in the formulation, implementation and evaluation of decisions determining the functioning and well-being of societies" (para. 70). It maintains that encouraging this participation will require, *inter alia*, increasing the capacities and opportunities for all people to establish and maintain independent organizations representing their interests; enabling institutions of civil society to participate in the formulation, implementation and evaluation of policies related to social development; giving community organizations greater involvement in the design and implementation of local projects; and ensuring a legal framework and support structure that will encourage such constructive contributions from civil society (para. 72). It envisions a role for civil society organizations in promoting responsive government, equality and social justice, and responses to special needs of disadvantaged groups. Finally, it maintains that the involvement of civil society is necessary for the effective implementation of the Copenhagen Declaration (para. 85).
5. The history of civil society involvement in policy planning, implementation and monitoring is long, complex and varied. Because civil society organizations (CSOs) represent, or are representative of, particular groups in society rather than society as a whole, some CSO activities may impede rather than promote social integration and development. However, much of the progress towards the recognition of basic human rights, gender equality, the protection of the natural environment and the strengthening of democratic and participatory institutions has been driven in large part by civil society initiatives. In addition to such advocacy work, CSOs have been increasingly called upon in recent years to assist in the implementation of development projects and the delivery of social services; they are considered partners in development alongside aid organizations and government agencies.
6. This report first considers the role of CSOs in policy formulation and monitoring. Civil society has long been associated with advocacy work, claiming a role – with varying degrees of success – in influencing government policy, and societal institutions more broadly, through education, persuasion and activism. The organizations that primarily engage in such work are here termed "advocacy CSOs". The report then discusses the involvement of civil society organizations in policy and project implementation and service delivery. Such operational activities have long

been a part of CSO programmes – religious missions, for instance, often run schools or hospitals – but the involvement of CSOs in development projects has seen phenomenal growth in recent years. Civil society organizations engaged in implementing development projects are commonly termed non-governmental organizations (NGOs); in this report they are termed non-governmental development organizations (NGDOs), to distinguish them from the wide range of NGOs that are not concerned with development (social or sports clubs, for instance) and that are not considered here. Among NGDOs, some engage in project design as well as implementation, while others primarily implement projects or deliver services that have been planned and allocated by governments or donors. These latter NGDOs are essentially subcontractors for the delivery of development services.

7. The distinction between these different types of CSOs is to some extent an artificial one. Some large organizations, such as Oxfam and World Vision, engage in education campaigns and lobbying efforts in their home country and implement concrete projects in developing countries. Community-based organizations (CBOs) may deliberately use projects as a catalyst to get people involved in advocacy work. In addition, policy and project implementation is not politically neutral, and even subcontractor NGDOs can choose from a variety of ways in which to implement projects, with differing implications for equity and development. However, for both analytical and operational purposes it is important to distinguish the various functions of development CSOs, even if they occur within the same organization. Failure to differentiate between types of CSO activities can lead to misunderstanding regarding the mechanisms and thus the potential contributions of CSOs to social integration.

1. The role of CSOs in advocacy, consultation and monitoring

Advocacy CSOs in the international arena

8. Advocacy CSOs have become increasingly visible in the international arena in recent years. With globalization, the international political space has expanded from one dealing primarily with international relations to one concerned with such diverse issues as global trade relations, the environment, gender equality, human rights and poverty eradication. CSOs have been instrumental in shaping the international dialogue on these issues, and in keeping them in the public's eye. They are guided by a strong sense of moral authority, which drives them to educate and advocate regarding matters of concern to them. They have an irreplaceable role to fill in keeping public discussion alive, because many of the issues on which they advocate would otherwise fall outside the realm of normal national and international discourse. They have been successful, for instance, in generating worldwide concern and action regarding specific local instances of human rights abuses and environmental degradation which might otherwise have been ignored. Although CSOs originating in southern and transitional countries have shown substantial growth in recent years, the international arena is still dominated by CSOs of northern origin. This is largely due to the better access of northern CSOs to resources, communications technology, the news media and other informational outlets. They also benefit from geographical proximity to key institutions affecting development policy and practice.

9. International advocacy CSOs have in many ways a symbiotic relationship with the United Nations and its organizations and agencies. CSOs have helped to shape the agendas of the UN-sponsored international conferences, especially those occurring in the last decade, and have influenced the texts of their outcomes. In turn, CSOs have gained from the UN conference mechanism. The world conferences of the 1990s, which strengthened and formalized the mechanisms for CSO involvement, facilitated and catalysed dialogue and co-ordination among different CSOs.

10. International advocacy CSOs benefit from a strong United Nations. These organizations seek to shape and influence policy, but without an agency that can implement and enforce policy, their efforts will be relatively ineffectual. The United Nations in turn benefits from a strong civil society presence: CSOs can become its allies both in carrying out its tasks and increasing its legitimacy. CSOs monitor compliance with UN treaties, and they inform the public of the commitments of member states. On some issues, CSOs and the UN may have shared interests that are in conflict with those of some member governments – such interests may include specific cases of human rights violations, for instance. In such circumstances, CSOs may be better able than the UN to take the lead in advocating compliance with international agreements. They are not constrained by the interests of the member states, and they can make sensitive information public in a way that intergovernmental organizations are constrained from doing.

11. The involvement of civil society organizations with the work of the United Nations also serves to increase the legitimacy of the UN. Although not all CSOs are strictly representative of specific populations, and may only be accountable to the public in a limited manner, they represent a diverse range of views. This means that the participation of CSOs in international agreements serves to some extent to add a "people's perspective" that increases the acceptability and legitimacy of such agreements to the public at large.

12. CSOs also serve more specifically to bolster the UN's perspective on development issues within the international arena. The relative importance of the UN in development efforts has declined in comparison with the international financial and trade institutions as the latter have consolidated their strategy into a development orthodoxy. The UN's ability to regain its leadership position on development depends on reasserting the primacy of social goals, broadly defined, over simple economic goals, and in this parts of the CSO community are natural allies. Different organizations within the CSO community are concerned with a wide range of social issues, and are able to articulate their concerns and to persevere in maintaining the importance of social issues in development. CSOs do not hesitate to use moral language to justify their positions – something financial and trade institutions, in particular, are often loathe to do, preferring to base their decisions on putative technocratic rationales. It is the explicitly moral basis of CSO activities that most serves to legitimize their work, and that has been most effective in their efforts to establish the shortcomings of the economic orthodoxy.

13. CSOs often have a more problematic and adversarial relationship with other international bodies than they do with the United Nations. CSOs have come in conflict especially with international financial and trade institutions, primarily

because CSOs tend to emphasize human development, broadly defined, and see the focus of these institutions on economic development as both overly narrow and in some cases counter-productive to social progress. There are different interpretations of how successful CSOs have been in influencing the behaviour of such institutions, but there is general agreement that CSO activity has had some impact. The World Bank's increasing emphasis on poverty reduction and its attention to environmental and gender issues, for instance, can be attributed at least in part to CSO pressure and collaboration. Changes in the Bank's rhetoric have not necessarily been accompanied by immediate changes in practice, but they may lead to a perceptible institutional shift over the longer term.

14. The CSO community also acts indirectly as a catalyst for change within financial or other international organizations by serving as an ally to reform elements within these organizations – either openly or behind the scenes. Individuals or departments within organizations that support more socially or environmentally guided policies may use information provided by CSOs in order to bolster their position, or they may furnish information to CSOs that will help the latter in their advocacy efforts. CSOs can strengthen the position of factions within policy-making bodies so that their relative impact on the decision making process is increased. This kind of collaboration is most likely to be successful for issues on which a particular international organization is divided or on which there is no sharp North-South divide. For instance, CSOs have had an appreciable impact on the World Bank's environmental policies, but have been less successful in persuading the Bank to change its fundamental approach to economic reform.

15. When collaboration is not possible, CSOs have sometimes had success in using more direct tactics to influence the behaviour of international decision making bodies. In these efforts, they must usually depend on the effects of a mobilization of public opinion. The World Bank, for instance, must raise funds from member states, and was thus susceptible to the "50 Years is Enough" campaign – a collaborative effort among many CSOs that was successful in raising questions about the Bank's legitimacy among the publics to which the national policy makers responsible for allocating funds to the Bank were accountable.

16. Most international advocacy CSO efforts focus primarily on changing policy outcomes through monitoring, advocacy, education, and lobbying – seeking to make the public more aware of the decision making process and outcomes and thus more able to hold policy makers accountable for their decisions. With the thorough airing of information about the full implications of policy actions that the various elements within the CSO community can provide, the incentive structure within policy making bodies shifts: consideration must be taken of the likely reaction of CSOs to any decision. Thus, it has been argued, even when CSO protests over a decision do not lead to an immediate change regarding that particular decision, these protests may well influence future decisions, which, explicitly or not, will be likely to factor in the interests of the CSO community.

17. However, when these primarily informative channels for influencing policy outcomes are not available, CSOs may turn to more direct and disruptive tactics. This has been seen recently in CSO action taken with regard to the World Trade

Organization. The WTO is a decision making body of enormous importance which acts behind closed doors. "Experts" are considered to be the only ones qualified to provide input into the decision making process. It is essential, however, to provide some means through which civil society can observe and comment on decisions that affect it. Technocratic bodies are liable to forget that the outcomes they seek – free trade, macro-economic stabilization, etc. – are intended not as ultimate goals but rather as means to improved human well-being. Therefore, monitoring and input from CSOs regarding the wider social impact of technocratic decisions is perfectly appropriate, and indeed essential, even when the CSOs do not have technical expertise.

18. Advocacy CSOs also attempt to influence the way the private sector, particularly transnational corporations (TNCs), behave. In this effort they also face problems of access, as corporations are much less inherently susceptible to pressure from CSOs than are governments or international organizations. TNCs must comply with the laws of the country in which they are operating, but they frequently have a great deal of influence over such laws because of the host countries' needs for the investment and employment provided by TNCs. TNCs are otherwise formally accountable to their stockholders. The ability of CSOs to influence the behaviour of TNCs has depended on their ability to mobilize public opinion in order to impact TNCs through boycotts, lawsuits and other forms of public pressure. It appears that the influence of CSOs over the corporate sector is increasing. The protracted CSO campaigns of previous years (for instance, over the issue of breast milk substitutes) are now sometimes resolved more quickly, with the TNCs acquiescing, at least to some extent, to CSO demands. Some TNCs are also introducing or signing codes of conduct in order to avoid conflict with CSOs. Although there is considerable disagreement over how meaningful these codes are and how closely they are followed, they may represent a step forward in corporate responsibility as well as a benchmark against which TNC behaviour can be judged. These advances can be attributed in large part to the activities of CSOs.

Advocacy CSOs in the national arena

19. Just as a strong United Nations is important for the work of international advocacy CSOs, a strong state is important for CSOs working at the national level. Most CSOs do not see themselves as substitutes for the state even if they work in opposition to it. They attempt to influence the behaviour of the state, but often require an effective state for implementing and enforcing the policies they advocate. The activity of CSOs generally strengthens and improves the state through enabling participation, protecting citizens, and increasing accountability. However, in a severely weakened state or one in crisis, this role may not be possible.

20. As in the international arena, there is likely to be co-operation and collaboration between national CSOs and national politicians and policy makers. In reform-minded states in particular, there is often a great deal of movement of personnel between the CSO and public sector and communication between them.

21. However, the model of CSO activity in the national arena does not precisely parallel that of CSOs in the international arena. National CSOs are more likely to

take the form of membership organizations, which can be much more easily held accountable to their members than can most international CSOs. Labour organizations are one form of national level CSO in which formal mechanisms provide for the election of leaders and thus the accountability of the leaders to the members. Other membership CSOs (professional or special interest groups, for instance) also regularly hold elections, ensuring that they are at least minimally responsive to the concerns of their members. These types of membership CSOs can make a claim to be representative of certain groups, and they base their legitimacy and their mandate for lobbying on this claim and on the mechanisms through which members can hold the leaders accountable for their actions. Non-membership advocacy CSOs (for instance organizations working on behalf of free speech or of biodiversity), in contrast, must base their claim to legitimacy on moral grounds and on their ability to attract the support of the public.

22. Labour organizations have a unique position among national CSOs. They can play a pivotal role in times of crisis and have had a central place in social pacts in which CSOs, business and government discuss and negotiate economic policies. Labour usually must be accommodated in the reform process even when it has previously had relatively little influence, because the crisis that precipitates reform efforts is also a crisis for the state, which must reassert its legitimacy through negotiation with labour. In principle, the interests of labour organizations are compatible with the goal of increased social integration: workers' rights are civil rights that are necessary for democracy. Social pacts with organized labour provide a possible, though not necessary, avenue for increased participation in government, depending on the accountability of labour leaders to their constituencies and the relation of these constituencies' interests to the interests of the public at large.

23. Community-based organizations (CBOs) are a type of CSO that is organized around the particular needs of a specific community. Many CBOs have been successful in negotiating for improved environmental conditions, housing and other services from local authorities, and some have institutionalized and strengthened their position by establishing formal relations with local governments. However, there are many impediments to true partnerships between CBOs and local government. CBOs often depend on the goodwill of individual public officials, and are thus vulnerable to staff changes in the public service. Some seeming collaborations mask clientelistic relationships and practices. Even where strong community organizations do exist, collaboration with local authorities can begin a process of co-optation and demobilization within the organizations, as members struggle to adjust to the additional responsibilities asked of them.

II. NGDOs in project implementation and service delivery

24. Three recent developments – the increasing emphasis on good governance, the “new public management” model and the trend toward reduction in public sector responsibilities – have led to a massive increase in external funding for CSOs involved in service delivery or project implementation, here termed non-governmental development organizations (NGDOs). NGDOs, as part of civil society, are presumed to increase the accountability and transparency of government, and the NGDO sector

has thus been encouraged to expand with funds earmarked for it. The new public management (NPM) model assumes that the private sector is more efficient than the public sector at most tasks, and the state has thus been encouraged to divest itself from many aspects of public sector provisioning in favour of NGOs. Finally, the demands of structural adjustment programmes for a pared down state sector have reinforced pressures to increase reliance on NGOs. Half of World Bank projects now involve NGOs at the implementation stage, and by the mid 1990s, NGOs disbursed approximately 15 per cent of total public development aid.

25. The results of this trend have been mixed, and not entirely what had been expected. While in the past, NGOs were relatively independent organizations that designed, funded and implemented projects meant to improve the well-being of specific limited groups of beneficiaries, recently NGOs have been increasingly called upon to implement projects designed by others or even to deliver services once considered to be the responsibility of public agencies.

26. The size of the NGO sector has grown exponentially as new organizations materialized to access the funds made available to them. NGOs are widely believed to be efficient, flexible, innovative, and dedicated to serving the poor. However, very little is known about the scale at which these organizations operate or how effective they are. The evidence that does exist suggests that the advantages of NGOs are often overstated. While they are at times efficient in reaching some sectors of the poor, they are not experienced in offering broad coverage. Their projects are rarely sustainable, and cost recovery is not possible without excluding the poor. There is no firm evidence of their efficiency or cost-effectiveness. There is no evidence that NGOs have a comparative advantage over the public sector in any type of service delivery. Problems with NGO services can include poor quality, lack of co-ordination with an overall development strategy, overconcentration and duplication of services in some areas (notably major cities) and lack of services in others. They seldom undertake any internal assessment of efficiency. NGOs are unlikely to work within a strategic framework: they often have little analytical understanding of the causes of poverty or strategy to reach the poor. Because they are dependent on short-term funding, they are seldom involved in long term planning. The NGO sector tends to be competitive and disjointed, with too little shared reflectiveness or institutionalized learning processes. In short, while some particular NGOs have been very successful at what they do – and these have become well-known “success stories” – their successes tend to be unique to these particular organizations and not representative of the accomplishments of the NGO sector as a whole.

27. Evidence for the structural shortcomings of the NGO sector has been accumulating over the last two decades, and these shortcomings have become increasingly acknowledged even among the promoters of increased NGO participation in development. However, hopes remain high that NGOs can be a progressive force for development and social integration. These hopes are often based on an assumption that a pluralist state exists or can be promoted, and are founded on the history of NGO evolution, and their origin as advocacy CSOs. Ideally, it is believed, the state and the NGO sector will be capable of forming a productive partnership, with the state ensuring that a coherent policy framework is in place, and NGOs contributing creativity, innovation and strong community links.

28. However, the NGDO sector is significantly different from what it was twenty years ago. Organizations that describe themselves primarily as advocates for the poor or oppressed but which also implement projects as part of their activities now form a much smaller proportion of the NGDO sector. In part this is because the sector has become overwhelmed by the huge number of new organizations formed to absorb the funding made available. These new organizations are often established and staffed by middle class managers seeking employment or a stepping stone to a higher position; in the worst cases they are the creations of opportunists with little commitment to their professed ideals. In addition, the increasing emphasis on contract type funding – part of the new public management programme – decreases NGDO innovation, as well as the sector's capacity for advocacy and campaigning. Thus organizations that were originally primarily advocacy CSOs increasingly emphasize NGDO activity.

29. In addition, the transition to democracy in many countries, while welcomed by the CSOs who promoted it, have shifted the dynamics of civil society organizations, with unexpected consequences. With their success, the role of CSOs working for democracy in resistance to authoritarian government has changed. CSOs have sometimes lost personnel to the new government, while their remaining personnel were left without a clear aim. They may also have lost funding as the attractiveness of their cause to external donors diminished. More fundamentally, the nature of grassroots movements changes under democracy. With their major political and legal objectives satisfied, their demands tend to become more material, while movements are transformed into organizations. Organization requires financial survival, and thus creates pressures toward hierarchy, decreased autonomy and decreased responsiveness to people. CSOs have increasingly turned to service delivery and project implementation contracts following democratic transitions. In some cases, patterns of clientelism have emerged as they changed their focus to material demands and organizational self-maintenance rather than societal transformation.

30. This does not imply that there are no remaining progressive NGDOs functioning as agents for human development. Rather, it means that the pressures operating within the NGDO sector favour the development of organizations that emphasize service delivery rather than those emphasizing participation and social integration. There are several ways in which the outcome of NGDO activity can be improved, and progressive NGDOs can be strengthened. First, NGDOs that make a unique contribution to development and social integration should be recognized and encouraged. The NGDO sector is largely donor-driven, and thus donors have a special responsibility for identifying and supporting such NGDOs. Donors should allocate funding less on the basis of their particular project priorities and more on the basis of the characteristics of the organizations they support. Progressive NGDOs, although they may meet needs through concrete projects, continue to use the language of rights. Three criteria for funding have been suggested: 1) NGDOs should represent an authentic response to community needs rather than a response to funding fashions; 2) NGDOs should be concerned above all with meeting the needs of disadvantaged groups or protecting the environment, rather than working in their own organizational or pecuniary interests; 3) NGDOs should give voice to those who would otherwise not be heard in the existing political space. International funding can help exemplary organizations that meet these criteria to engage in criticism and

advocacy. However, there is always a risk that international funding will weaken an organization's ties to the public and strengthen hierarchical tendencies within it.

31. The second way to enhance the contribution of NGDOs to development is to recognize their potential strengths and work to reinforce these strengths. NGDOs are widely admired for their ability to work creatively and flexibly, yet it is these very characteristics that have most suffered from the growth of contract funding. Creativity requires independence. Benefiting from creativity requires an institutionalized learning process, and, just as importantly, permission to fail. Initiatives can only risk failure if they are non-essential; that is, if they are not required to replace essential government services. A creative learning process that would contribute new insights to development problems and solutions would thus require a network of independent organizations, adequately and non-conditionally funded, which are capable of self analysis and communication. The experimental nature of the activities of such organizations would necessarily limit their immediate impact, but their cumulative impact over the longer term would fulfil some of the early promise of NGDOs.

32. Third, if NGDOs are to make a significant contribution to development, caution should be used when employing NGDOs as alternative providers of public services. NGDOs cannot replace the state social sector for many of the reasons noted above. They often reproduce local level inequalities or clientelistic relations – in some circumstances they are more likely to do so than are public employees, who often work outside of their home area. The restricted nature of the service NGDOs provide, their uneven reach, inconsistent quality and sporadic coverage, all limit their suitability for taking a leading role in public sector provisioning.

33. The most important factor that should limit the use of NGDOs as alternatives to the public sector, however, is the issue of accountability. If NGDOs are to fill gaps left by the state they must have clearly defined responsibilities and they must be overseen. That is, they must be held accountable for their activities in a very clear and concrete way. In most cases, they should be held accountable to the government with which they are collaborating. Although in principle NGDOs should be accountable to their beneficiaries as well, in practice it is seldom possible to institute adequate mechanisms to ensure such accountability. People are accustomed to viewing NGDO activities as supplemental to the services they can expect from government; they are not used to making demands on NGDOs or to making complaints against them. Furthermore, it can be argued that people should not be encouraged to demand accountability on the part of NGDOs in lieu of the state. Even if the state subcontracts service provisioning to non-public agencies, the state must ultimately be held responsible for the well-being of its citizens.

34. In some cases in which governments do not meet this responsibility, donors (including the UN and other international agencies) may feel they can require more accountability and transparency from NGDOs than they can from governments, and in countries in which social service delivery is not universal, NGDO services may well be an improvement. However, it is not always productive to set NGDOs against the public sector. NGDOs are now increasingly being used as a lever to dislodge public sector employees in the interests of efficiency: by subcontracting service provisioning

to NGDOs, the public sector can be reduced, and the work it performs is in effect informalized – it is carried out by a “flexible” labour force that enjoys few benefits and no job security. Whether the outcome is efficient in the short term is an empirical question, the answer to which varies under different conditions. In addition, any initial gains in efficiency must be set against possible longer term reductions in effectiveness and efficiency as the quality of the labour force declines. More generally, the government’s progressive withdrawal from service delivery may also weaken its capacity to properly monitor, evaluate and formulate effective strategies for service delivery.

35. Finally, although there are clear pressures for the NGDO sector as a whole to move away from its advocacy CSO roots, there are still opportunities for NGDOs to make a unique contribution to social integration. Their primary focus on project implementation or service delivery does not mean they have no opening for political activity. In fact, a great deal of political space exists at the level of policy implementation, and choices made at this level may have a real impact on the outcome of policy. The paradox, however, is that as NGDOs become increasingly institutionalized and oriented toward service delivery contracts, they become less interested in taking advantage of such political space to benefit the poor.

Conclusions

36. On the national level, advocacy CSOs can be moderating or constraining influences on the state, or they can be co-opted by the state. They may work for improved participation and equity, or they may seek to block change that will detract from the privileges of the elite. CSOs serve as mediators between people and policy makers: they give voice to those who may otherwise remain silent even in representational democracy, and they articulate and channel grievances. CSOs are thus an essential element of democracy, but they are not sufficient for it. If the national CSO community as a whole is to make a positive contribution to participatory development, the diverse and competing elements of it must ultimately contribute to the formation of a political system that works in the interests of its people.

37. To enhance the contribution of CSOs to democratic processes it is important to have an open public space for debate. However, in the international arena, northern CSOs have a huge advantage over their southern counterparts given their privileged access to funds for travel, communications technology and the international media. The former may also benefit from their command of the English language and proximity to key institutions influencing development policy. Conditions for participation in the international arena should thus be equalized to the greatest extent possible. Funding for travel, participation in conferences, research and publications should be made available to southern CSOs. Opportunities should be created in which civic actors can meet and exchange ideas, and allow them to coalesce around common agendas.

38. On the national level, in many countries, advocacy CSOs are increasingly being overshadowed by NGDOs. The growth of the NGDO sector may be useful in specific

cases. But it is essential that their activities are not seen as a replacement for public sector activities unless there exists a capacity for oversight to ensure the coverage, quality and accountability of NGDO activities. Such a capacity is only likely to exist in states which have little need of NGDOs to "fill the gaps."

39. It is increasingly agreed that NGDOs have had a relatively minor cumulative impact on development. It may also be unreasonable to expect them to have done more: it is unfair to develop inflated expectations of the NGDO sector and then blame NGDOs for not living up to expectations. The questions that should instead be addressed are whether NGDOs are having an impact commensurate with their levels of funding, and whether they are contributing something useful to development. Unfortunately, NGDOs that show true originality, creating or exploring new avenues for development, are now more often the exception rather than the rule. NGDOs are more often guided by donor interest and changing international development fashions; they are more likely to bring international fashions to the grassroots level than to bring grassroots insights into the international arena.

40. Many NGDOs have their origins in advocacy CSOs, and if they consciously attempt to return to these roots, their contribution to social development is likely to grow. To do this, NGDOs must renew their emphasis on a rights-based, rather than a needs-based approach to development. Rather than simply providing services or projects, NGDOs should ideally strengthen the democratic process. However, such idealism may be more than can be expected from the majority of NGDOs as they become more concerned with service-delivery and donor dependent: it has been estimated that 90 to 95 per cent of NGDOs would vanish without external funding.

41. Because of the huge diversity of environments within which CSOs, including NGDOs, operate, as well as the diversity among CSOs themselves, there is no universally appropriate strategy that can be developed with regard to them. In assessing policy options, the different types of CSOs, their strengths and their limitations, must be understood. All actors need monitoring and counterweights, and CSOs are part of a system of checks and balances that is necessary, though not sufficient, to make progress toward human development and social integration possible. CSOs have an essential role to play in the democratic process, for which they should be supported and encouraged. However, they must be effectively monitored, questioned and evaluated by governments, donors, international agencies, other civil society organizations and public opinion, which is rarely the case at present.

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